

Before the FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of 2002 Biennial Regulatory Review -
Review of the Commission's Broadcast Ownership Rules
and Other Rules Adopted Pursuant to Section 202
of the Telecommunications Act of 1996,
Notice of Proposed Rulemaking,
MM Docket No. 02-277, (rel. Sept. 23, 2002)

To: The Secretary, FCC Commissioners, and Chief, Media Bureau

In connection with media diversity, there is an excellent book called IT'S THE MEDIA STUPID(1), released in 2000 and written by John Nichols and Robert McChesney. Ralph Nader wrote an intro and so did Barbara Ehrenreich and Senator Paul Wellstone. IT'S THE MEDIA STUPID is almost John Cone's observations verbatim(2) but expended to cover all media, not just the feature film industry.

The book starts out by stating that just in the past decade ownership of the media has consolidated into the hands of less than 10 transnational corporations. The largest of these do between \$8 and \$30 billion in revenues a year and are as follows:

- 1) DISNEY
- 2) AOL-TIME WARNER
- 3) NEWS CORP.
- 4) VIACOM
- 5) SEGRAM/Universal
- 6) SONY
- 7) LIBERTY (AT&T)
- 8) BERTELSMANN
- 9) GENERAL ELECTRIC (NBC)

The second tier of less diversified media corporations, doing between \$2.5 and \$8 billion in annual sales, are as follows:

- 1) Comcast
- 2) Hearst
- 3) New York Times
- 4) Washington Post
- 5) Cox
- 6) Advance
- 7) Tribune Co.
- 8) Gannett

The book's central thesis, AND MY COMMENTS FOR YOUR CONSIDERATION, are that a free marketplace of ideas can't exist with a media devoid of diversity and only interested in crass commercialism. Such commercialism creates an environment where good journalism suffocates, especially journalism which is critical of the media itself. Because such a media will NOT discuss issues relating to itself, there can be no reform: the powers-that-be refuse to make media an issue. This creates a bottleneck for all other issues that need to be freely discussed. Issues need to flow to and from the public so well-informed decisions can be made and a democratic society can breath. Thus the authors emphasize that making the media an ISSUE is the ONLY WAY to break open free discourse on ALL OTHER

ISSUES of vital concern.

The authors' also emphasize that the media DESERVES to be made an issue because: THE PEOPLE OWN THE AIRWAVES, not 17 multi- national corporations. Thus government action is needed and justified.

Although some allies exist in Congress (such as Senator Paul Wellstone, Representative Bernie Sanders and Representative John Conyers) the authors emphasize that the Democratic and Republican parties WILL NOT be the parties to make MEDIA AN ISSUE because they are too dependent on the media to get their candidates elected. The book also emphasizes that media reform won't come from the conservative right because "...conservative critics (of the media) in the end, are handcuffed by their allegiance to maintenance of corporate and commercial rule, so they are incapable of providing real explanations for, and real solutions to, the problem they describe" (which is the "liberal media" they have been yapping about since time immemorial). Thus, more than likely, media reform will have to be launched by a coalition amongst the New Party, the Green Party, the Labor Party, the Democratic Socialists of America, Americans for Democratic Action and U.S. Action.

In summary, the authors' bottom line is: "Media reform is inexorably intertwined with broader democratic reform. . . . Media reform will be a fundamental building block of a broad crusade for democratic renewal in America."

For further information, and the largest study on the Internet on media diversity as such relates to the Hollywood-based U.S. motion picture industry, please visit the Film Industry Reform Movement (FIRM) at <http://www.homevideo.net/FIRM>.

Sincerely,

James R. Jaeger II,
Co-Founder FIRM

(1) IT'S THE MEDIA, STUPID is available through www.sevenstories.com

(2) See THE GREAT AMERICAN MOVIE DEBATE by John W. Cones, Esq. at <http://www.homevideo.net/FIRM/amdebate.htm>, a copy below:

"From the very beginnings of the U.S. film industry various segments of our diverse society have competed for control of this powerful communications medium (in all fairness, one of the most significant media for the communication of ideas yet devised), and they have competed for the associated power to determine what messages are portrayed on the screen. Implicit in this struggle are the valid underlying assumptions that the motion picture is a powerful communications medium, that all movies communicate messages and ideas, of one sort or another, and that movies, just like all other significant communications mass media,

inevitably influence the thinking and behavior of large segments of our population.

Certainly, since Hollywood has become the national center of our film industry, many religious groups, ethics institutes, parents' organizations and others have complained about graphic sexual content, foul language, excessive violence, the glamorization of drugs, anti-authority and anti-religious themes, and not without good reason. Other racial, ethnic, religious, cultural and regional organizations have also complained from time to time about how members of their groups are portrayed in movies. For many years Blacks, Native Americans, Asians, the elderly, gays/lesbians and women were consistently portrayed in a negative or stereotypical manner, although in recent years, some limited balance in such portrayals has been restored in a few film depictions of members of those groups. On the other hand, Hollywood movies have continued to consistently portray Latinos, Arabs, Italian-Americans, Christians and Whites from the American South in a negative or stereotypical manner. This is nothing more, nor less, than mass defamation.

During a significant segment of many individual lives (particularly those who are relatively young, uneducated or unsophisticated -- the target audience for many films), repeatedly watching hundreds of powerful motion picture images that consistently portray whole populations of our diverse society in a negative or stereotypical manner can contribute to prejudicial thinking, which in turn, is often the basis of real-life discriminatory behavior. Thus, at minimum we must concede, movies that consistently portray certain people in a negative or stereotypical manner are clearly not helping us solve our society's problems of misunderstanding and mistrust, but more likely, making them worse.

Unfortunately, for the complaining and out-of-power groups, the most commonly presumed remedy for these problems is some form of government censorship, and that proposed remedy always very quickly (and rightfully) runs afoul of the First Amendment right of free speech. So, these recurring rounds in the ongoing national debate about the motion picture industry usually end at the steps of the Constitution. What's needed is a different analysis of what's really going on in Hollywood and proposed remedies for reform that have a greater chance for success in the long term.

That analysis should start with the realization that our laws are being unevenly applied to the Hollywood-based U.S. film industry. The so-called Hollywood control group is getting unwarranted preferential treatment. On the one hand, the film industry is being vigorously protected by the First Amendment, so Hollywood outsiders cannot effectively force changes relating to the content of Hollywood movies. But, the laws relating to who can gain access to the power to determine which movies are made and released, and consequently who gets to determine the actual content of those movies, are not enforced by our government in the same vigorous manner. As a result, a single, narrowly-defined interest group in our society has gained and has maintained control over the Hollywood-based U.S. film industry for its nearly 90 years of existence.

This fresh approach to what's really going on in Hollywood also reveals that these Hollywood "insiders" have gained and maintained their control over the Hollywood-based U.S. film industry through the consistent use of several hundred, specifically identifiable unfair, unethical,

unconscionable, anti-competitive, predatory and illegal business practices, including massive employment discrimination (in all its various forms--nepotism, favoritism, cronyism and blacklisting), along with multiple antitrust law violations. We must never forget, that the power to arbitrarily determine who gets to work in a given industry inevitably destroys the careers and lives of many of the unfairly excluded individual human beings.

The Hollywood control group gets away with its accurately described "proclivity for wrongful conduct", the old fashioned way, by routing huge political contributions to presidential candidates and key members of Congress through excessively overpaid studio executives, their spouses and multiple political action committees, so as to miraculously discourage vigorous enforcement of the employment discrimination, antitrust and other laws in the Hollywood-based U.S. film industry. Our federal government policy, specifically, its employment discrimination and antitrust law enforcement policy currently contributes to the ability of a single, narrowly-defined control group to dominate this important communications industry.

In all fairness, this is not only bad for all of the groups that do not have power and influence in Hollywood (some of those same groups that have been consistently portrayed in a negative or stereotypical manner through this powerful communications medium), but this imbalance of power in Hollywood is not healthy for our democratic society. Our democracy is based on the assumption that a vigorous discussion and debate of our nation's problems in a "free marketplace of ideas" will generally result in the best solutions for those problems. On the other hand, if one of our important communications media, like feature film, is dominated by a single, narrowly-defined interest group, to the arbitrary and substantial exclusion of all others in our society who may have differing views, then the important motion picture segment of our market place of ideas is not free. It is dominated by a more narrow range of voices, that crowds out diversity. And, without diversity of ideas, we are less likely to arrive at the truth.

This does not suggest that all members of the Hollywood control group think alike on all issues. But, clearly there will always be less diversity of ideas in any narrowly-defined interest group when compared to the variety of ideas that would naturally flow from a substantially more diverse film industry control group. Thus, to the extent that our nation tolerates control of an important communications medium like film in the hands of any single, narrowly-defined interest group, our democracy is weakened, and our government policy with respect to all kinds of issues (and our national solutions to all kinds of problems), is less likely to reflect the views of a majority of our citizens. No single, narrowly-defined interest group, no matter how defined, should seek or be allowed to gain control over any important communications medium. Such a result is not consistent with democracy.

It is thus critically important that all concerned citizens in our society become involved in this national debate and demand that the free marketplace of ideas principle be firmly re-established in this important communications medium, that control positions in the U.S. film industry be opened to and occupied by a substantially more diverse group, and that the power to determine which movies are produced and released be shared more evenly among all of the diverse groups that make up our multi-cultural

society."